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INDUSTRY COALITION RELEASES STUDY SHOWING U.S. AS A LEADER IN ENERGY EFFICIENCY AMONG INDUSTRIALIZED NATIONS

NEW YORK, NY, MARCH 16, 1993.....The Global Climate Coalition (GCC) released a study today showing that the U. S. is a leader among the G-7 countries in energy efficiency. "The United States made a significantly greater improvement in energy performance than most G-7 countries over the last two decades," said John Shlaes, executive director of the GCC. "This sharply contradicts claims that the United States needs to 'catch up' with other developed countries."

The study compares historical trends and current levels of energy efficiency in the seven major industrialized countries: Canada, France, Germany, Italy, Japan, the United Kingdom and the United States. "When the transportation, residential and manufacturing sectors of each country are analyzed," said Joseph Hezir of the EOP Group, "we found that energy consumption per unit of Gross Domestic Product (GDP) has declined by 30 percent over the last 20 years, more than most other G-7 countries." The EOP Group, A Washington-based consulting firm specializing in economic and scientific analysis of energy and environmental issues, prepared the report for the GCC.

"The study clearly refutes those who say we lag behind other industrialized countries in energy efficiency," said Shlaes. Unless someone wants to force Americans to live in significantly smaller homes, or can find a way to shrink the longer distances we have to travel and move products in this vast country, dramatic improvements in per capita energy use are simply not feasible." The study indicates that the higher levels of energy consumption in the U.S. are based primarily on the country's size, the way Americans want to build homes and



communities, and the American standard of living -- not because we are less efficient at using comparable units of energy.

"We discovered a clear pattern in the three sectors analyzed - transportation, residential and manufacturing - with all of them showing substantial improvement in energy performance," Hezir said. "For example, the rate of improvement in new car fuel economy in the U.S. has been about twice as high as the other industrialized countries." The study also shows that the U.S. is the only G-7 country that has improved overall passenger automobile unit energy efficiency (measured as auto energy consumption per passenger mile traveled) during the study period.

"Several arguments have been made over time about U.S. energy inefficiency," Hezir pointed out. "We use more energy to run appliances, not because our appliances are less efficient, but because we have more appliances and we use them more often. We use more energy to heat our homes, not because we use energy less efficiently, but because Americans live in bigger homes and rely on central heating systems. In fact, once you adjust for home size and climate, U.S. residential energy efficiency is better than most of the G-7 countries."

"While we should continue efforts to use energy more efficiently," Shlaes said, "the study does imply that drastic measures that harm the overall economy are not necessary in order to keep pace with our industrialized trading partners." According to Shlaes, new technology developed as an integral part of a strong and growing economy will continue to improve the efficiency of energy consumption in the United States. "A favorable investment climate, natural competitive pressures and on-going voluntary efforts by GCC members will also contribute to this objective," said Shlaes.

The Global Climate Coalition is the leading business voice on climate change issues. It is an organization of more than 50 business trade associations and private companies established in 1989 to coordinate business participation in the scientific and policy debate on the global climate change issue. Current coalition membership represents a broad spectrum of virtually all elements of U.S. industry from the energy producing and energy using sectors.

For further technical information on the study, please contact Joe Hezir or David Gibbons of the EOP Group at (202) 833-8940.

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